

Demonstrating Value > Building Influence >

Is COVID-19 Putting Your Budget or Team at Risk for Reductions?

By the Security Executive Council

Given COVID-19...

- The need for site security could be reduced because sites are closed or operating with less employees on site
- Travel security could be reduced because employees are not traveling
- Access control / monitoring could be reduced because employees are working from home
- Event security could be reduced because in-person events are cancelled

If security cannot contribute like they have in the past due to stagnation of certain business activities - will this mean the possibility of cuts?

This Security Barometer quick poll looked at how COVID-19 is affecting security personnel and budgets.

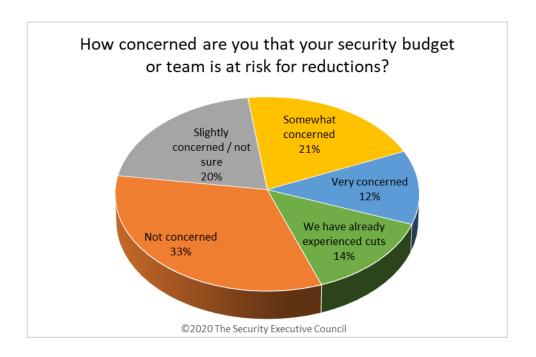
Is the Outlook Grim?

We asked all participants to describe how concerned they were about reductions to their security budget or team.

While a third of respondents stated they were not concerned, 14% had already experienced cuts due to the effects of COVID-19 on their organizations.

Clearly there is concern, however a number of participants commented about how their security organizations were taking on expanded roles as screeners and enabling organizations

to return to business as usual.



Insightful Commentary Provided by Participants

We provided all participants with an opportunity to optionally provide additional commentary and/or explanation. We felt that there was additional insight to be gained by providing some selected responses (comments were edited to preserve anonymity of respondents).

- Because of the pandemic our security manpower has been slashed by 80%, facilities that were closed only have a single post of 12-hour shifts, some have no guards at all, CCTV operators have also been reduced by 50%.
- We have reduced some 3rd party security officer coverage for certain facilities that are
 closed but have increased coverage at some of our essential facilities. We have not seen
 any impact to our Corporate Security program, in fact with COVID-19, it is increased our
 exposure to make sure our essential facilities are safe and all who are entering complete
 our COVID-19 process.
- No budget reduction requests at this time, but of this continues 6 months to 12 months I'm assuming requests to reduce will come. Another lockdown would certainly trigger reductions.
- We are already at minimum staffing, no room left to cut
- I believe we will return to -close to- pre covid 19 office numbers. Fortunately for my team, we conduct drug manufacturing on site, so our work must continue, and those folks need our support.

- The effects haven't been noticed up to now but definitely we see a high chance of review of head count and Technology is likely to compliment some of the roles
- Haven't heard of any budget reductions, but you never know in this environment.
- As the security is less visible during the pandemic, most corporate companies use security in leading the management of pandemic in line with HSE teams. Not because the security team is reduced due to budget issues, but, also the pandemic has affected the security industry as the virus hit security employees. Most guard companies are Not capable of replacing guards infected with the virus.
- We have been able to continue to grow our team.
- Received first round budget call, told no increases & cut travel cost.
- We have been able to offer our team for new initiatives in support of the organizations return to work and COVID screening programs. For this reason, we are able to demonstrate our worth to the organization and have created a positive relationship with leadership and provided stability during a period of shifting priorities.
- 2021 budget planning will be the challenge.
- Our group is an integral part of the organization's planning for return to work and managing the restrictions that are in place.
- We have operated at a thin margin with little growth in staffing for many years. COVID
 has not reduced our work load. Instead, over the years we have automated processes or
 pushed work to the edge to manage an increasing work load with a static operator
 count.
- Our current Corporate Security budget is currently set to expand by 25-50% annually over the next 3 years, with a comparable growth in personnel and supporting facilities.
- Our company is not firing anyone, and our company's business has not faltered during these hard times. Our company wants to maintain a strong security presence.
- We have find other ways to contribute to the organization that has expanded our role rather than reduced.
- No sites are closed, 25-50 % population, so access control, monitoring, and event monitoring is still happening. Purchased laptops for officers to work from home if needed, and looking to start monitoring travel
- Not concerned for corporate team but we are reducing security officers.
- No cuts so far.
- Only impact COVID-19 has on my department is the reduction or eliminating of "built-in" overtime pay. Security Officers work 11.5 shifts with 6 hrs. of OT earned every payperiod. There were a several departments that furloughed employees. We did not and actually had additional security assignments handed to work as screeners at entrances. We worked these posts for 2 weeks and recommended that furloughed employees should work as screeners and it was received.
- My organization has adopted a concept called fixed cost. This therefore means that in trying to improve the management of COVID security systems like Access Management are critical however while appreciated there is a denial that access control is key.
- The hiring freeze went into effect this past spring and the budgets are not only frozen but slated for cutting. We fully expect layoffs within the next 12 months.

- We are already thin and have no need to meet additional expense targets. Our roles are currently highly valued in the organization.
- We've not been reduced as of yet, but the long-term reality may change based on the ongoing impact of covid on our operations. We're busy focusing on streamlining, improving and considering value-add to ensure we're doing what needs done and are available to serve even outside our normal ops.
- The value that the Security Org has shown during the pandemic has afforded me the opportunity to hire five additional analysts.
- Domestically, we have a mix of p/t and f/t staff. Our company provided a special budget code for COVID-19 so staff could charge any hours for which they could not work from home, thereby ensuring continuity of pay. However, this budget will likely run out in January. We may need to reduce p/t staff as we cannot guarantee hours. Overall, it's a small impact.
- Our corporate security team has been heavily relied on during COVID for increased patrolling, assisting in recovery of property from buildings that are closed, and in health screening for critical staff. As buildings reopen and normal operations begin, there is a potential that some will continue working from home which reduces the need for some corporate buildings and could result in a corresponding reduction in the need for security services.
- We've been able to demonstrate significant value to the business through not only the COVID-19 crisis but also other business impacting events (particularly natural disasters) in 2020. This has seen a larger emphasis put on workplace/workforce availability and resilience.
- Request to decrease by 40% security services cost
- Not Concerned in the Current State. As a company who was designated an essential business and actually had a record setting year our budget is not currently at risk. I feel we would be foolish not to have some level of concern. Our 2020 year is not sustainable forever. We must always show value to the organization and alignment with company goals
- State lockdowns and budget reduction to date have impacted our organization drastically. A second round of furloughs is expected and a second round of layoff/terminations in January. Mis/Dis-information from a multitude of arenas, along with public perception of law enforcement have triggered potential increased retirements, lateral transfers and resignations.

Next Steps

Challenging times bring new opportunities. Executives are seeking guidance for navigating the challenges COVID-19 has brought to their organizations. Now is the time for Security to tap into their skill and expertise to find ways to expand their role and visibility in the organization.

Here is more information on how to prepare for the changes brought by COVID-19.

The Security Executive Council has a long history of helping Security Leaders advance their programs within organizations. <u>Contact us</u> to discuss your situation and see how the SEC can help you achieve your goals.

Visit the Security Executive Council web site to view more resources in the Demonstrating Value: Building Influence series.

About the Security Executive Council

The SEC is the leading research and advisory firm focused on corporate security risk mitigation solutions. Having worked with hundreds of companies and organizations we have witnessed the proven practices that produce the most positive transformation. Our subject matter experts have deep expertise in all aspects of security risk mitigation strategy; they collaborate with security leaders to transform security programs into more capable and valued centers of excellence. Watch our 3-minute video to learn more.

Contact us at: contact@secleader.com

Website: https://www.securityexecutivecouncil.com/